

# **FISCAL NOTE**

## **HB 1379 - SB 1656**

March 3, 2001

**SUMMARY OF BILL:** Conforms state regulations to federal regulations contained in the Gramm-Leach Financial Modernization Act that was passed by the U. S. Congress in 1999 as follows:

- Authorizes the Commissioner of Financial Institutions to share examination information with additional state and federal regulators.
- Conforms the statutory application process to form a state bank to current practices.
- Updates the Commissioner's authority to deal with potential employee conflicts of interest by authorizing the commissioner to establish ethical guidelines and when employees must recuse themselves.
- Provides that well-run banks may provide notification to establish branches rather than the current application.
- Permits out of state bank depository institutions to establish ATM's in Tennessee to conform to federal law, but retain the authority to prohibit non-state banks from establishing ATMs on their own.
- Allows state banks to file their call reports under state law as permitted by federal law and to remove the requirement that state banks publish the call report by newspaper.
- Amends the Savings Bank Act to provide that acquiring substantially all of the assets of a savings bank without acquiring the charter renders the institution's certification of authority null and void.

### **ESTIMATED FISCAL IMPACT:**

**MINIMAL**

Bill brings state regulations into conformity with federal regulations.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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